



TOWN OF SURFSIDE, FLORIDA

*******FIRST ADDENDUM*******

WATER AND SEWER COMPREHENSIVE COST OF SERVICE AND RATE DESIGN STUDY – RFP #FY 2010-PW 401

SUBMITTED QUESTIONS/RESPONSES

1. In the RFP there is a reference to the Town of Surfside's current cost allocation model. Is this an indirect cost allocation model or does it just address costs within the water and sewer utility?

Response:

The current cost allocation model incorporates direct costs with an estimate of future debt service attributable to the water and sewer utility fund. Additionally, the water and sewer utility fund remits a 10% service payment to offset a number of services provided by the general fund. For further details it is suggested that you refer to the Town's FY 2009-2010 adopted budget at: <http://www.townofsurfsidefl.gov/finance>

2. How were the current levels of the impact fees established? Is there a report or other documented analysis to show how these fees were determined?

Response:

Please refer to Town code sections 78-82 through 78-86 (www.municode.com) for more specific details pertaining to Development Fees. Development Fees are based on the expansion and improvement of the Town's water supply and sewer system. The Development Fee is:

- a. For each equivalent single-family residential unit: \$761.
- b. For each nonresidential and commercial account – each 15 fixture units, or part thereof, equals one equivalent single-family residential unit.

3. How many separate customer classes are denoted within the billing system? How many years of (easily accessible) historical billing information are retained in the billing records?

Response:

There are four customer classes consisting of the following:

AP = APARTMENTS

C = COMMERCIAL

PW = PLACE OF WORSHIP

R = RESIDENTIAL

The Town has utilized the same utility software for almost twenty (20) years. Therefore, on-line, real time cumulative data is readily accessible and available. Additionally, the Town retains detailed, hardcopy billing data/registers on-site for three years.

4. Our firms does not use a fringe benefit multiplier approach for building up our billing rates, instead we have standard billing rates. Would the Town have any problem with us using our standard billing rates?

Response:

Utilization of standard billing rates, as detailed in the format requested on page 24, for additional services "as needed" is acceptable.

5. Section 7 of the contract – Is the provision that says the order of work is to be determined solely by the Town really necessary? Such a provision does not really make sense for this type of study.

Response:

Section 7 was never intended to micro-manage or impose undue hardship to the Consultant for scheduling the "exact" order of work. Emphasis is placed, however, that Town permission is required when a work revision will impact the not-to-exceed fee or the ability to adhere to expected completion dates.

6. We suspect that the water rate structure includes a uniform volumetric rate for usage above the minimum. Could you confirm this and, if so, what is the volumetric rate?

Response:

Correct, monthly minimums exist and are based on meter size; – refer to Town code section 78-27 for details (www.municode.com). However, the fiscal year 2009-2010 volumetric rate is \$3.54 per thousand gallons of water and \$4.69 per thousand gallons of sewer.

7. When the last rate adjustment was implemented, were the minimum charges and volumetric charge increased by the same percentage?

Response:

Yes, the minimum charges and the volumetric charges were increased by the same percentages.

8. Can you explain to me what a business tax receipt is? Do we have to submit one? If so, how do we go about getting it?

Response:

The Local Business Tax (formally Local Occupational License Tax) - Chapter 205, Florida Statutes represents the fees charged and the method by which a local government authority grants the privilege of engaging in or managing any business, profession, and occupation within its jurisdiction. Obviously, Business domiciled out-of-state or wherever the Local Business Tax is not imposed would be exempt from the requirement to submit. However, if exempt, please indicate this on your submission.

OTHER ISSUES/CLARIFICATIONS

9. Page 12, 1e) - replace the word “existing” (debt service) with “proposed”.

10. Page 13, 2b) – remove the words “Utility Basis for Out-of-City service”. Please note that the Town does not provide service to any customers outside its jurisdictional boundaries.

11. Page 13, 4 – replace the word “Fictionalization” with the word “Functionalization”.